



**Jersey Finance**

Delivering Insight • Driving Innovation

# Jersey for US Fund Managers

**Commercial and  
Cultural Links**



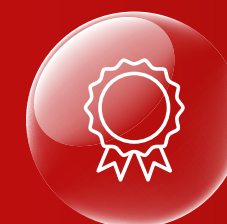
[www.jerseyfinance.je](http://www.jerseyfinance.je)

# Jersey: A Gateway to European Investors

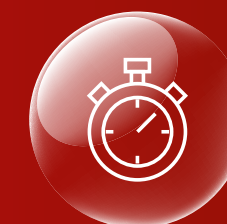
The Island of Jersey is an independent, forward-thinking international finance centre, located between the UK and France. Jersey is a tried and tested, centrally located funds domicile, and a specialist centre in alternative funds. Our unique constitutional position as a Crown Dependency means that we have domestic autonomy, preserved for the last 800 years.



Direct access to UK  
and EU capital



Strong and respected  
regulatory framework



Cost-effective and six  
weeks to funds set up

**“From our experience to date, Jersey is a great jurisdiction for the investment management industry. A fast, efficient and commercially-minded financial environment, with a strong regulator, that is going from strength to strength.”**

Ben Dixon, General Counsel and Director, *Systematica*

## Tried and tested

Our finance industry has been operating for more than 60 years and we have focused on private equity and alternatives over the past 35 years. Our strong and respected regulatory framework has been internationally recognised by leading bodies, including the World Bank, the International Monetary Fund (IMF) and the Organisation for Economic Co-operation and Development (OECD).





# A Clear Choice for US Fund Managers

Jersey is a 'third country' from a European Union perspective. Therefore, the full scope of the Alternative Investment Fund Managers Directive (AIFMD) need not apply. We provide third-country access to EU investors through National Private Placement Regimes (NPPR).

According to statistics from the European Commission, 97% of managers market to three EU countries or less, which means that Jersey's NPPR route offers a very credible, fast and cost-effective option.



## 130%

We have a very strong track record when it comes to supporting US promoters. Assets under administration in Jersey by US promoters have increased by 130% over the past five years

(Monterey Insight, 2021)

**“With such a large pool of institutional capital in Europe, it's getting harder and harder to ignore the fundraising potential in the region.”**

**Matt Lowe**, Head of United States, Langham Hall

## Compelling reasons to choose Jersey



### Political and economic stability

Jersey is a politically and fiscally autonomous and stable British Crown Dependency with a secure, special relationship with the UK, but is outside of the UK and the EU. We are therefore perfectly positioned in this post Brexit era.



### Speed and ease

The fast track regime for Jersey Private Funds means that consent can be obtained from the Jersey Financial Services Commission in 48 hours. Also, US fund managers can migrate limited partnership structures to Jersey quickly and seamlessly.



### Cost effectiveness

Jersey offers better returns. Our streamlined regulatory regime can result in lower running costs and higher investor returns.



### Remuneration

To obtain a full AIFMD 'passport' in Europe, the manager is required to disclose remuneration details of key employees including partners. If a US manager does not need to market on a pan-European basis, there is no great benefit to an AIFMD passport and a lighter approach is permissible under the NPPR.



### Regulatory certainty

The Jersey Financial Services Commission is an approachable, globally-respected and cooperative regulator, supervising regulation that meets international standards (the IMF, the International Organisation of Securities Commissions, the European Securities and Markets Authority and the Financial Action Task Force).



### Tax simplicity

Jersey offers a tax-neutral environment, with no value-added tax (VAT) or capital gains tax (CGT), and is not reliant upon a complex system of tax rulings.



# A Trusted Home

Jersey is home to a wide range of financial services providers. These include fund managers and administrators, major law firms, international banks and the 'big four' accountancy firms – Deloitte, PwC, Ernst & Young and KPMG. Some North American organisations that have chosen to locate here include Citibank, Royal Bank of Canada and JP Morgan. We have one of the largest number of industry professionals of any international finance centre, with an impressive depth and breadth of expertise.



## Mourant assists with US acquisition of Jersey fund services business

Mourant advised a US real estate investment management business with US\$50 billion of assets under management to acquire a majority stake in a Jersey regulated fund services business. The acquisition is part of an expansion by the US asset manager to broaden its investment reach into European markets. Mourant also advised Medical Properties Trust Inc., a US-based real estate investment trust, on the acquisition of 30 acute care hospital facilities located throughout the UK for an aggregate purchase price of approximately US\$2 billion.



## Equiom provides services to UHNW client based in US

Equiom provides trustee and corporate services to an UHNW client based in the US, who is a beneficiary of a foreign non-grantor trust. Assets totalling approximately US\$150m, include discretionary investment portfolios, limited partnership investments, Jersey companies and private company shares. Investments are managed in a US-tax aware manner, being sensitive to the tax issues of the beneficiaries. Equiom regularly works with its US trust company in South Dakota, as well as with its office in Guernsey.



## Maples and Calder advises NY investment manager

Maples and Calder (Jersey) LLP, the Maples Group's law firm, advised a New York based investment manager, who launched an investment fund targeting a capital raise of US\$1.5 billion. The team assisted with the formation of a feeder fund and associated alternative investment vehicles that were authorised as Jersey Private Funds and structured as closed-ended limited partnerships. Investors were predominantly institutional investors, public and corporate pension plans and insurance companies based in the US and Europe. The fund will focus primarily on the US real estate market, investing in distressed and opportunistic commercial and residential properties.



## Index Ventures chooses Jersey to locate its funds

Index Ventures Growth V and X funds are examples of Jersey funds where the venture capital firm has offices in both the US and Europe. Jersey legal advice was provided by Ogier and the two funds combined raised US\$2bn to invest in later-stage, growth rounds and smaller start-up companies, split between the US and Europe. This is evidence of the high calibre of a venture capital firm choosing Jersey to locate its funds and of how Jersey is helping to bridge the Atlantic divide.



## Ogier advises Cain International Management Limited

Cain International Management Limited is a privately-held real estate investment firm operating in the US and Europe, and has invested over US\$5.8 billion in real estate, debt and equity in Europe and the US since 2014. When Cain International launched their first pan-European real estate fund, the Cain International European Real Estate Opportunity Fund I, Ogier acted as Jersey legal counsel. The fund invests in pan-European real estate growth markets and Ogier provided legal and regulatory advice on the approval of the fund as a Jersey Private Fund, including advising on Jersey's Alternate Investment Fund Managers Directive regime.



## Praemium International supports financial advisors in the US

Investment platform provider Praemium International Limited is located in Jersey and assists financial advisors in the US (and other locations around the world). A qualified intermediary with the IRS, Praemium provides separately managed accounts via their JFSC-regulated investment platform for US citizens, the service accesses managed portfolio schemes from SEC-regulated investment managers and takes care of the complex reporting requirements directly to the IRS.



## Nordic Capital funds fully or partially domiciled in Jersey

Private equity investor Nordic Capital focuses on investments in healthcare, technology and payments, financial services, and selectively in industrial and business services sectors. Nordic Capital's first Jersey fund was launched 20 years ago and all of its active funds are fully or partially domiciled in Jersey. The Nordic Capital Funds are advised by non-discretionary sub-advisory entities based in Sweden, Denmark, Finland, Norway, Germany, the UK and the US. Since Nordic Capital's inception in 1989, it has invested more than €15 billion in over 110 investments. Three of its current investments are headquartered in the US, including ERT that supplies life sciences software, ArisGlobal that provides clinical solutions for the pharmaceutical industry and Orchid Orthopedic Solutions that designs and manufactures orthopaedic implants.



## Walkers assists in listing US-based issuers on TISE

The International Stock Exchange (TISE) is a Channel Islands based listing and trading venue for a range of equity and debt securities established in 1998. It has attracted several high-profile listings of issuers with links to the US, assisted by Walkers' Jersey office. It has seen a stream of high yield bonds being listed, often involving New York Stock Exchange listed US-based multinational corporations issuing debt securities under New York law, to investors who are in some cases qualified institutional buyers within the meaning of rule 144A under the U.S Securities Act of 1933, or outside the USA (to non-retail noteholders) in compliance with regulation S under the Securities Act. This features issuers across several states of the US and in a diverse range of sectors, from pharmaceuticals to luxury fashion retail platforms, and often raising several billion dollars.

**"I think what makes Jersey stand out, versus many locations of a similar size, is that it truly is an international finance centre."**

**Mike Byrne**, Partner, *PwC Channel Islands*








# Research: The Future of International Fund Domiciliation

IFI Global has undertaken extensive research on the future of international fund domiciliation on our behalf in recent years. They have gathered the views of alternative managers, law firms, advisors and some of the world's largest investors in alternatives, from across the UK and the US.

Research has found that the introduction of global regulatory initiatives is set to challenge traditional fund structuring models, make fund domiciliation much more complex, and heighten the importance of investor buy-in. Key drivers including Base Erosion and Profit Shifting (BEPS), substance and transparency have shot up the agenda when it comes to domiciliation – and they are themes that are likely to influence decision making for some years to come. In a world that has been defined by uncertainty and volatility in recent years, the indications are that stability and certainty will remain vital going forward.

## The US perspective

IFI Global's research found that the most important determinants in domicile selection for US respondents were:

-  Whether the jurisdiction is well known and respected by investors
-  Cost
-  Tax neutrality
-  Set up times
-  General overall flexibility

All were given a score of eight out of 10.

The full report can be downloaded at: [www.jerseyfinance.je/our-work/the-future-of-international-fund-domiciliation](http://www.jerseyfinance.je/our-work/the-future-of-international-fund-domiciliation)



“Without a doubt, Jersey's mindshare has grown in the US market. It's now on the radar of US law firms, US administrators and US managers.”

Philip Pirecki, *Jersey Finance*



Regulatory standards and established legal framework ranked highly for US managers. Investors also favour funds domiciled in jurisdictions with good infrastructure, and with considerable local expertise and asset class knowledge.



In some international funds jurisdictions, the drive to develop local substance has increased costs, with no particular benefit to investors.



Alternative investing is expected to continue to grow in the long term, with jurisdictions that have the skills and experience in domiciling and servicing alternative funds expected to facilitate that growth.



Nearly half (47%) of US alternatives managers and their advisors mainly use private placement to reach European investors.



# Links Away from Finance

## The origin of the name New Jersey

The relationship between Jersey and New Jersey can be traced back to the English Civil War. During the 1640s, royalist Sir George Carteret held Jersey for the English Crown and also provided shelter to Prince Charles at Elizabeth Castle, a 16th century fortress built on a rocky islet close to our capital St Helier. Sir George's loyalty was seen as a pivotal factor in the survival of the monarchy. King Charles awarded him property in the English counties of Cornwall and Devon and a tract of land in North America, which was named New Jersey on 24 June 1664. In telling this story, we must acknowledge that while Sir George indeed played an important role in our shared history, he was also one of the founders of the 'Company of Royal Adventurers into Africa', which traded not only in ivory and gold, but also in slaves – a fact not to be forgotten.



Elizabeth Castle, St Aubin's Bay, Jersey



Seated is Jersey descendant Thomas David Le Page, at Point St Peter, Gaspé

## Cod fishing and 'jerseys' from Jersey

Jersey's connection to the Americas continued, with many islanders emigrating to New England at the end of the 17th century and Jersey merchants built a thriving transatlantic business empire in the Newfoundland and Gaspé cod fisheries. Hundreds of Jersey men spent their summer months working in the region. The term 'jersey', as in the item of athletic clothing, originated from our Island during this time. The first jerseys were hard-wearing, hand-knitted jumpers worn as inner layers by local seamen. Later, they evolved into a type of common outerwear. Famous for a tight weave and an ability to retain warmth, jerseys became popular in the UK, Europe and the US. By the 1850s, the name 'jersey' had become synonymous with 'sweater' and, as American Football started becoming popular, jerseys provided an ideal clothing solution for players. Sports jerseys in the US today bear little resemblance to the original woollen garments.



Golden lion tamarin

Photo: Melvin Toullec

## Wildlife conservation

Durrell Wildlife Conservation Trust was founded in Jersey in 1963 by the late Gerald Durrell, conservationist and author. In its mission to 'save species from extinction', the Trust works on projects worldwide. Durrell has strong links to the US through a charity established in 2014, American Friends of Durrell (AFD). Harriet McGeorge, sister of Gerald Durrell's widow Lee, is a founding director. Programs supported by AFD include the conservation of tamarin monkeys in Brazil, various projects in Madagascar supporting a number of critically endangered species and habitats, and a recovery program in St Lucia for the rarest snake in the world, the St Lucia racer.

We're proud of our diverse links to North America and our capital, St Helier, is twinned with Trenton, New Jersey. Our historic ties go back centuries, while we continue to be connected in many other ways.

## The famous Jersey cow

Jersey cattle are renowned around the world for the quality of the rich, creamy milk that they produce, which contains 20% more calcium and protein than from other breeds. For nearly two centuries, the main trade between Jersey and the US was in our cattle. Jersey cows were exported from the mid-1800s and up until World War II many thousands of animals left our shores to cross the Atlantic to new homes. Today, the Jersey breed is the second largest dairy cattle breed in the US, with more than a million cows, and is one of the main providers of rich milk, including for the vast cheese market. In 2018, the US hosted the 21st International Conference of the World Jersey Cattle Bureau in North Canton, Ohio. It was attended by over 300 delegates from 20 countries, and many other Jersey cattle events are held each year.



Jersey cattle at Wilson View Dairy, Oregon



Hotel Chocolat's luxury ice cream made with Jersey milk

## 'Ice Cream of the Gods'

Jersey milk and cream from the Island of Jersey is used for Hotel Chocolat's luxury ice cream recipe 'Ice Cream of the Gods'. It's sold in stores in New York and Washington DC. The ice cream is made by infusing a mix of Jersey milk and cream with pure roasted cocoa. CEO and Co-Founder of Hotel Chocolat, Angus Thirwell, explains, "We decided to call this recipe the 'Ice Cream of the Gods', for the heavenly flavour and after the name of the cocoa plant itself, Theobroma Cacao, which translates as 'cocoa, food of the gods'." This collaboration between Jersey Dairy and Hotel Chocolat began in 2017.

## Digital Jersey

Jersey offers the fastest broadband speed in the world, according to the Worldwide Broadband Speed League 2021, which assessed 223 jurisdictions. We have a flourishing tech community, with a growing number of digital businesses and more than 3,000 professionals working in the sector. Areas of expertise include cybersecurity, digital marketing, software engineering, e-commerce and fintech, among others. Digital Jersey is dedicated to growing this digital sector and, as part of that goal, it is forming close links with research institutions and organisations around the world, including Princeton University and the New Jersey Big Data Alliance (NJBDA). Student placements between Jersey's Digital Academy and some NJBDA establishments are being developed, as well as reciprocal speaking opportunities at major events.



Jersey's broadband speed is the world's fastest



# Forward-thinking Events

Jersey Finance is proud to host a range of leading events and webinars in financial services, both locally and internationally, and to participate in many others. We work together with key partners to represent and promote Jersey, to explore important industry topics and to provide vital networking opportunities.

To view our latest events and webinars, go to:  
[www.jerseyfinance.je/events](http://www.jerseyfinance.je/events)



Jersey Finance reception at The Peninsula New York

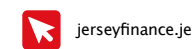
Amy Mayes Photography

# About Jersey Finance

This publication is brought to you by Jersey Finance, a future-focussed organisation established in 2001 to promote and lead the development of Jersey as an international finance centre.

In 2019, we launched an office in New York to enhance our visibility in the US and to demonstrate how Jersey is perfectly placed to assist US alternative fund managers. We also have a presence in Jersey, Dubai, Hong Kong SAR, Johannesburg, London, Shanghai and Singapore.

## Learn more about Jersey:



[jerseyfinance.je](http://jerseyfinance.je)



[@jerseyfinance](https://twitter.com/jerseyfinance)



[linkedin.com/company/jersey-finance](https://linkedin.com/company/jersey-finance)

## Business Directory

We work with a whole range of national and international financial services firms based in Jersey. Browse our business directory at [jerseyfinance.je/business-directory](http://jerseyfinance.je/business-directory)

## Contact Us



**Philip Pirecki**  
Business Development – The Americas

[philip.pirecki@jerseyfinance.je](mailto:philip.pirecki@jerseyfinance.je)

Philip joined Jersey Finance to oversee business development in the Americas. He is based in our New York office, on Avenue of the Americas, but he also regularly visits Jersey.



**Elliot Refson**  
Head of Funds

[elliott.refson@jerseyfinance.je](mailto:elliott.refson@jerseyfinance.je)

Elliot is focussed on defining the strategy and execution of marketing Jersey as both a domicile and destination for hedge and private equity management companies and funds based in the UK, US, Switzerland and Europe.







## Watch Our Video

We made a video to give you an insight into Jersey, our international finance centre and our funds industry.

To watch the video, or clips from it, go to:  
[jerseyfinance.je/our-work/video-jersey-for-us-fund-managers](https://jerseyfinance.je/our-work/video-jersey-for-us-fund-managers)





**New York Office**

Jersey Finance Limited, Suite 341  
1185 Avenue of the Americas  
New York, NY 10036 USA

**[www.jerseyfinance.je](http://www.jerseyfinance.je)**